(b) and (c) The sick sugar factories belonging to private and public sectors are covered under the provisjons of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). The cooperative sugar mills are covered under the Cooperative Societies Act of respective States. The State Governments are expected to prepare suitable rehabilitation schemes for the revival of sick cooperative sugar mills, with or without the participation of the financial institutions including the National Cooperative Development Corporation (NCDC).

A proposal to amend the Sugar Development Fund Rules, 1983 in order to provide financial assistance at concessional rate of interest to potentially viable sick sugar mills is under consideration.

(d) and (e) As on 15th March, 2001, the total cane price payable for cane purchased during the season 2000-2001 was Rs. 8,193.77 crores against which an amount of Rs. 6596.01 crores had been paid, leaving a balance of Rs. 1597.76 crores. The mill-wise position of arrears in this regard is at Annexure-III. [*See* Appendix 192, Annexure No. 36]

According to available information, the total cane price arrears of 1999-2000 and earlier sugar seasons as on 15th March, 2001 were Rs. 245.60 crores.

The Central Government has been writing to the State Governments to take steps to liquidate the arrears of cane price payable to the farmers. The Sugarcane (Control) Order, 1966, has also been amended so as to provide that the cane price arrears can be recovered as arrears of land revenue.

Purchase of Gas from Iran

*598. PROF. M. SANKARALINGAM: Will the Minister of EXTERNAL AFFAIRS be pleased to state:

(a) the details of four rounds of discussions, including the third one held in February, 2001, with Iran with regard to the purchase of gas from that country;

(b) whether it is a fact that an Italian company—Saipem—also offered to lay a deepwater pipeline;

(c) if so, the details thereof; and

(d) whether this is a cheaper offer?

THE MINISTER OF EXTERNAL AFFAIRS (SHRI JASWANT SINGH): (a) to (d) In May, 2000 India and Iran set up a Joint Committee to study all aspects of the transfer of Iranian gas to India. The Committee has met thrice; its last meeting was held in Iran in February, 2001. In its deliberations the Committee has engaged in the process of examining different modes of transportation-off-shore and on-shore pipeline and the LNG route-and related economic, technical, financial, political and security issues so as to establish long-term, cost-effective and secure means of transfer of Iranian gas to India.

During Prime Minister's visit to Iran from April 10-13, 2001, Prime Minister and the President of Iran directed the Committee to commission joint feasibility studies, through appropriate mechanisms, for off-shore and overland pipelines from Iran to India on an equal cost sharing basis. They also directed that the studies by completed expeditiously. They further agreed that the Committee should recommend measures such as may be necessary to facilitate increased cooperation in LNG. The Gas Authority of India and the National Iranian Oil Company have signed an agreement to jointly commission a feasibility study to identify an appropriate pipeline corridor outside the Continental Shelf of Pakistan.

The group of M/s. Snamprogetti-Saipem had given a presentation on the technical feasibility of deep sea transportation of natural gas. There is no offer for the project since the detailed joint feasibility studies have yet to be undertaken.

A comparison in the costs of deep water gas pipeline *vis-a-vis* other options of gas import from Iran depends on techno-economic and other studies of this bilateral India-Iran project.